(2)

No. 92-1750

Supreme Court, U.S.
FILED
JUN 1 1993
OFFICE OF THE CLERK

In The

Supreme Court of the United States

October Term, 1992

JOHN C. FOGERTY,

Petitioner,

vs.

FANTASY, INC.,

Respondent.

On Petition For Writ Of Certiorari To The United States Court Of Appeals For The Ninth Circuit

BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

MALCOLM BURNSTEIN
Counsel of Record for Respondent
BURNSTEIN & TRIMBUR
685 Market Street, Suite 690
San Francisco, CA 94105
(415) 243-0191

COCKLE LAW BRIEF PRINTING CO., (800) 225-6964
OR CALL COLLECT (402) 342-2831

BEST AVAILABLE COPY

39P

QUESTION PRESENTED

Whether it is inconsistent with the Copyright Act, 17 U.S.C. § 505, to require a prevailing defendant in an action for copyright infringement to demonstrate some fault or misconduct by the plaintiff, such as bad faith or frivolity, as a predicate to an award of attorneys fees.

PARTIES

Fantasy, Inc., has no parent or subsidiary and has no shares issued to the public.

TABLE OF CONTENTS

Page

QUESTION PRESENTED i

PARTIES ii

TABLE OF CONTENTS iii

TABLE OF AUTHORITIES v

STATEMENT OF THE CASE 1

ARGUMENT 3

I. SUMMARY OF ARGUMENT 3

II. INTRODUCTION 5

III. THE EXISTING NINTH CIRCUIT STANDARD FOR AWARDING FEES TO PREVAILING DEFENDANTS FULLY CONFORMS TO CONSTITUTIONAL AND CONGRESSIONAL MANDATE 7

A. Fees Are Neither Automatically Awarded to Winning Plaintiffs nor Denied to Prevailing Defendants in the Dual Standard Circuits 7

B. Fogerty Would Not Receive Attorney's Fees in an Even Handed Circuit 11

C. Fault, as a Predicate to a Fee Award, Is a Common Thread in Other Circuits. 16

D. The Commentators Agree that the Circuits Are Virtually Identical in Their Application of Section 505 19

E. The Intent of the Copyright Laws Is to Encourage Lawsuits on Colorable Claims for Infringement and Thereby Protect Copyrights. 21

TABLE OF CONTENTS – Continued

Page

F. The Cases under the 1909 Act and the Congressional Intent as to the Meaning of the 1976 Act Support the Ninth Circuit Standard 23

G. Fogerty Is in No Worse Situation Than Any Other Artist 27

CONCLUSION 29

TABLE OF AUTHORITIES

Page

CASES

Alyeska Pipeline Service Co. v. Wilderness Society, 421 U.S. 240 (1975) 5

Bibbero Systems, Inc. v. Colwell Systems, Inc., 983 F.2d 1104 (9th Cir. 1990) 21

Breffort v. I Had A Ball Company, 271 F. Supp. 623 (S.D.N.Y. 1967) 8, 21

Burnett v. Lambino, 206 F. Supp. 517 (S.D.N.Y. 1962) 26

Cable/Home Communication Corp. v. Network Productions, Inc., 902 F.2d 829 (11th Cir. 1990) 13

Cain v. Universal Pictures Co., 47 F. Supp. 1013 (S.D. Cal. 1942) 27

Casella v. Morris, 820 F.2d 362 (11th Cir. 1987) 12, 13

Christiansburg Garment Co. v. EEOC, 434 U.S. 412 (1978) 9, 23

Cohen v. Virginia Electric and Power Company, 617 F. Supp. 619 (E.D. Va. 1985), *aff'd in part, dismissed in part*, 788 F.2d 247 (4th Cir. 1986) 11, 14, 15, 16

Dean v. Burrows, 732 F. Supp. 816 (E.D. Tenn. 1989) 18

Diamond v. Am-Law Pub. Corp., 745 F.2d 142 (2d Cir. 1984) 8, 12, 13, 21

Dolori Fabrics, Inc. v. Limited, Inc., 662 F. Supp. 1347 (S.D.N.Y. 1987) 9

Donald Frederick Evans & Associates, Inc. v. Continental Homes, Inc., 785 F.2d 897 (11th Cir. 1986) 12, 16

TABLE OF AUTHORITIES – Continued

Page

Donald v. Zack Meyer's T.V. Sales & Service, 426 F.2d 1027 (5th Cir. 1970), *cert. denied*, 400 U.S. 992 (1971) 17

Eisenschiml v. Fawcett Publications, Inc., 246 F.2d 598 (7th Cir.), *cert. denied*, 355 U.S. 907 (1957) 26

Engel v. Teleprompter Corp., 732 F.2d 1238 (5th Cir. 1984) 18

Fantasy, Inc. v. Fogerty, 984 F.2d 1524 (9th Cir. 1993) 10

Fantasy, Inc. v. Fogerty, 654 F. Supp. 1129 (N.D. Cal. 1987) 10

Fantasy, Inc. v. Fogerty, 664 F. Supp. 1345 (N.D. Cal. 1987) 10, 11

Grosset & Dunlap, Inc. v. Gulf & Western Corp., 534 F. Supp. 606 (S.D.N.Y. 1982) 22

Hartman v. Hallmark Cards, Inc., 833 F.2d 117 (8th Cir. 1987) 18

Hebert v. Wicklund, 744 F.2d 218 (1st Cir. 1984) ..16, 17

Hensley v. Eckerhart, 461 U.S. 424 (1983) 5

Hughes v. Novi American, Inc., 724 F.2d 122 (Fed. Cir. 1984) 16

Jartech, Inc. v. Clancy, 666 F.2d 403 (9th Cir.), *cert. denied*, 459 U.S. 826 (1982) 16

Lewys v. O'Neill, 49 F.2d 603 (S.D.N.Y 1931) 26

Lieb v. Topstone Industries, Inc., 788 F.2d 151 (3rd Cir. 1986) 11, 13, 16

MCA, Inc. v. Parks, 796 F.2d 200 (6th Cir. 1986) 18

TABLE OF AUTHORITIES – Continued

Page

Mailer v. RKO Teleradio Pictures, Inc., 332 F.2d 747 (2nd Cir. 1964) 26

Mazer v. Stein, 347 U.S. 201 (1954) 5

McCulloch v. Albert E. Price, Inc., 823 F.2d 316 (9th Cir. 1987) 6, 9, 10, 20, 21

Micromanipulator Co. v. Bough, 779 F.2d 255 (5th Cir. 1985) 17

Miller v. Los Angeles County Bd. of Educ., 827 F.2d 617 (9th Cir. 1987) 23

Official Aviation Guide Co. v. American Aviation Associates, 162 F.2d 541 (7th Cir. 1947) 25

Original Appalachian Artworks, Inc. v. Toy Loft, Inc., 684 F.2d 821 (11th Cir. 1982) 11, 16

Pasillas v. McDonalds' Corp., 927 F.2d 440 (9th Cir. 1991) 7

Reader's Digest Assoc., Inc. v. Conservative Digest, Inc., 821 F.2d 800 (D.C. Cir. 1990) 8

Rose v. Bourne, Inc., 176 F. Supp. 605 (S.D.N.Y 1959), *aff'd*, 279 F.2d 79 (2nd Cir. 1960) 26

Rose v. Connelly, 38 F. Supp. 54 (S.D.N.Y. 1941) 26

Roth v. Pritikin, 787 F.2d 54 (2d Cir.), *cert. denied*, 464 U.S. 961 (1986) 8, 9, 21, 22

Roulo v. Russ Berrie & Co., 886 F.2d 931 (7th Cir.), *cert. denied*, 493 U.S. 1075 (1989) 9

Shaw v. Lindheim, 919 F.2d 1353 (9th Cir. 1990) 27

Sherry Manufacturing Company v. Towel King of Florida Inc., 822 F.2d 1031 (11th Cir. 1987) 11, 12, 13, 16

TABLE OF AUTHORITIES – Continued

Page

Stein v. Expert Lamp Co., 107 F. Supp. 60 (D. Ill. 1952) 26

Video Views, Inc. v. Studio 21, Ltd., 925 F.2d 1010 (7th Cir.), *cert. denied*, ___ U.S. ___ (1991) ... 7, 10, 21

Warner Bros., Inc. v. Dae Rim Trading, Inc., 877 F.2d 1120 (2nd Cir. 1989) 10

Whelan Associates, Inc. v. Jaslow Dental Laboratory, Inc., 609 F. Supp. 1325 (E.D. Pa. 1985) 14

Worth v. Selchow & Righter Co., 827 F.2d 569 (9th Cir. 1987), *cert. denied*, 485 U.S. 977 (1988) 27

STATUTES

17 U.S.C. § 40 (later § 116) 23, 24

17 U.S.C. § 505 ..... *passim*

H.R. Rep. No. 1476, 94th Cong., 2d. Sess. 163 (1976) 24

S. Rep. No. 473, 94th Cong., 1st. Sess. 145 (1975) 24

MISCELLANEOUS

Annotation, Award of Attorney's Fees Under §§ 101 et seq, 85 A.L.R. Fed. 434 (1987) 21

3 M. Nimmer and D. Nimmer, Nimmer on Copyright § 14.10[D][2] (1992) 19, 20

Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law (1961) 25

Second Supplemental Report to Congress on the General Revision of the U.S. Copyright Law (1975) 25

No. 92-1750

In The

Supreme Court of the United States

October Term, 1992

JOHN C. FOGERTY,

Petitioner,

vs.

FANTASY, INC.,

Respondent.

On Petition For Writ Of Certiorari To The United States Court Of Appeals For The Ninth Circuit

BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

STATEMENT OF THE CASE

Fantasy, Inc. ("Fantasy") filed an action for copyright infringement against Fogerty and Warner Bros. Records, Inc. ("Warner") in 1985, alleging that a song written by Fogerty in 1970 and sold to Fantasy's predecessors-in-interest ("Run Through the Jungle") was infringed by a 1984 song written by Fogerty and distributed by Warner ("Old Man"). (*See* Fogerty Petition App. A 5-6.) Fogerty counterclaimed for return of the copyrights to numerous

songs which he had transferred to Fantasy's predecessors-in-interest, and for copyright infringement based on Fantasy's use of those songs. (*Id.* at 5, n.4.)

Fogerty and Fantasy were both prevailing copyright defendants. Fantasy won a summary judgment on Fogerty's counterclaims. (Fogerty Petition at 5-6, n.4 and App. A 6.) Fogerty prevailed on Fantasy's claim after a jury trial.

Before the jury trial, the parties filed numerous motions, including, *inter alia*, Fantasy's successful Rule 12(f) motion and motion for summary judgment on Fogerty's counterclaims, and unsuccessful Warner and Fogerty motions for summary judgment. (*E.g.*, Fogerty Petition App. A 23-29; CT 120, 130; CT 141, 228.) After trial, Fogerty and Warner unsuccessfully moved for an award of their entire attorneys' fees and costs, amounting to more than $1,000,000. Fogerty claimed that the suit was motivated by the animosity of Saul Zaentz, who Fogerty terms – despite all the contrary evidence – "the principal owner of Fantasy". (*Compare* Fogerty Petition at 5 *with Id.* at App. A 6.) The district court found that, in filing and maintaining the suit, Fantasy had acted in good faith and not frivolously. (Fogerty Petition App. A 30-32.)

Fogerty and Warner appealed the rulings on Fantasy's Rule 12(f) motion to strike portions of the Fogerty counterclaims, the summary judgment on the copyright counterclaims, and the denial of attorney's fees. (*See, e.g.*, Fogerty Petition at 6, n.4.) After its review of the record, the Ninth Circuit ascertained that Mr. Zaentz was merely a minority shareholder in and director of Fantasy (*Id.* at App. A 6.) and affirmed the district court in all respects.

(Fogerty Petition App. A 1-22.) Fogerty then filed this petition.

Fogerty implies in the petition that the $20,000 he was awarded as costs by the district court was not sufficient. (Fogerty Petition at 7, n.6.) He requested more than $157,000. (*Id.* at 7.) But neither in the Ninth Circuit nor in his petition for the writ of certiorari does he explain what costs were requested and not ordered nor how the district court is alleged to have abused its discretion; thus he has not properly raised this issue on appeal, and it is not properly before the Court. (*See* Opening Brief of Appellants in the Ninth Circuit at 36-49, wherein costs are mentioned but not argued.)

ARGUMENT

I. SUMMARY OF ARGUMENT

The attorney's fee provision of the Copyright Act, 17 U.S.C. § 505, was intended to protect a federal right with constitutional underpinnings. The implications of that protection are that plaintiffs, as holders of the rights to be protected, should not be treated in a mechanically similar fashion to the alleged infringers of those rights. While a plaintiff who prevails has, in effect, vindicated a federally secured right, a defendant who successfully defends a copyright infringement suit has done nothing comparable to advance the public interest. It is therefore appropriate to require a defendant seeking fees to demonstrate that

plaintiff has acted improperly in some fashion. With virtually no exceptions, the circuit courts endorse that proposition. Nice differences in the semantics used to express the policy do not denote differences in the results. A good faith plaintiff who had advanced a serious, tenable copyright claim is simply not subject to a punitive award of fees merely because that claim failed, regardless of the circuit in which that claim had been brought. The leading commentators have found it to be the nearly unanimous practice of the courts to require a showing of blameworthiness to justify an award of fees against a losing plaintiff. Therefore, no substantive conflict exists among the circuits.

The attorney's fee provision of the Copyright Act was intended, in the words of the Register of Copyrights, to discourage unfounded suits and frivolous defenses. Years of case law under the 1909 Act follow that approach. The 1976 re-enactment of the attorney's fee provision of the 1909 Copyright Act, without substantive change and in light of the judicial interpretation of that Act, reveals congressional intent to continue that interpretation in force in the 1976 Act.

Regardless of what judicial approach is taken to Fogerty's request for attorney's fees, it is doomed to fail. Having failed to demonstrate any impropriety or bad faith by Fantasy in bringing the suit, Fogerty would not have received an award of attorney's fees regardless of the forum chosen.

II. INTRODUCTION

The attorney's fee statute of the Copyright Act was enacted to protect a federal right. *Alyeska Pipeline Service Co. v. Wilderness Society*, 421 U.S. 240, 260-61 & n.33 (1975). The intention of the copyright law and the constitutional provision upon which it is founded is to " 'grant valuable, enforceable rights to authors [and their assignees], etc., without burdensome requirements; to afford greater encouragement to the production of literary [or artistic] works of lasting benefit to the world.' " *Mazer v. Stein*, 347 U.S. 201, 219 (1954) (quoting *Washingtonian Publishing Co. v. Pearson*, 306 U.S. 30, 36 (1939)). Thus Congress has taken the unusual step of giving the district courts discretion to shift the burden of some of the attorney's fees employed in the vindication of that right. *Alyeska*, 421 U.S. at 247. But imposing a fee award upon a copyright owner after the loss of an arguably meritorious, good faith copyright infringement action would have a chilling effect on the incentive of copyright holders to protect their copyrights. This, in turn, would diminish the value of copyrights and impose an unreasonable burden on the constitutionally contemplated rights granted to authors and publishers by Congress.

The statute permits only a reasonable fee. 17 U.S.C. § 505. Here, Fogerty seeks a fee award which can in no sense be considered reasonable as it includes all defendants' fees for the entire case, even though Fogerty lost his counterclaims and the defendants were unsuccessful in many motions. *See Hensley v. Eckerhart*, 461 U.S. 424, 437 (1983).

Fogerty seeks a writ of certiorari on the claim that the circuits are in conflict regarding the proper standards for fees pursuant to 17 U.S.C. § 505.[1] Specifically, Fogerty complains that defendants are not uniformly accorded the same favorable treatment as plaintiffs. This case, however, does not concern the standards for awarding fees to a successful plaintiff; what is involved here is the criterion for awarding fees to a prevailing defendant. *McCulloch v. Albert E. Price, Inc.*, 823 F.2d 316, 322 (9th Cir. 1987) (circuit authority, which involved award of fees to a victorious defendant, not binding on circuit when question is award of fees to victorious plaintiff).

Fogerty argues that four circuits award fees to plaintiffs merely for winning, but require defendants to show more than that. Fogerty calls this a dual standard. (Fogerty Petition at 10-12.) He claims that this dual standard conflicts with three other circuits that award fees to either party simply for winning, an approach he calls even handed. (*Id.* at 13.) Fogerty's assertions do not reflect the practice in any circuit. An analysis of the relevant cases reveals that the claimed differences are more rhetorical than real, that for more than fifty years federal courts have generally applied a fault concept to the award of attorney's fees in copyright cases, that such was known to Congress when it reenacted the attorney's fee provision of the Copyright Act in 1976, and that no significant conflict exists among the circuits. In view of the finding

---

[1] This statute will be cited hereinafter as section 505. Section 505 grants district courts the discretion to award or deny costs and attorneys fees to the prevailing party in copyright cases.

that the action had merit and had been brought in good faith it is unlikely that any district court in any circuit would have awarded fees to Fogerty.

Fogerty's attempt to claim a conflict among the circuits with respect to the application of section 505 fails, because, as is explored in greater depth below, whatever rhetoric may be utilized by the courts, the cases uniformly award attorney's fees in copyright actions on the basis of some fault or misconduct on the part of the losing party, and not simply because one side or the other prevailed.

III. THE EXISTING NINTH CIRCUIT STANDARD FOR AWARDING FEES TO PREVAILING DEFENDANTS FULLY CONFORMS TO CONSTITUTIONAL AND CONGRESSIONAL MANDATE.

A. Fees Are Neither Automatically Awarded to Winning Plaintiffs nor Denied to Prevailing Defendants in the Dual Standard Circuits.

A number of circuits, including the Ninth Circuit, have made it clear that logic, as well as constitutional and congressional intent, requires the district courts to differentiate between prevailing plaintiffs and prevailing defendants when awarding fees in copyright actions. The Second, Seventh, Ninth, and District of Columbia Circuits require that a prevailing defendant demonstrate some element of fault on the part of the plaintiff, such as bringing a frivolous lawsuit or filing or maintaining a suit in bad faith, to justify attorney's fees pursuant to 17 U.S.C. § 505. *E.g., Pasillas v. McDonalds' Corp.*, 927 F.2d 440, 443-44 (9th Cir. 1991); *Video Views, Inc. v. Studio 21,*

Ltd., 925 F.2d 1010, 1022 (7th Cir.), *cert. denied*, ___ U.S. ___ (1991); *Reader's Digest Assoc., Inc. v. Conservative Digest, Inc.*, 821 F.2d 800, 809 (D.C. Cir. 1990); *Diamond v. Am-Law Pub. Corp.* 745 F.2d 142, 148-49 (2d Cir. 1984).

Most frequently cited as the fountainhead for the dual standard or asymmetrical[2] approach is the Second Circuit opinion in *Diamond v. Am-Law Publishing Corp.* There, the court adopted the distinction articulated in *Breffort v. I Had A Ball Company*, 271 F. Supp. 623, 627 (S.D.N.Y. 1967), that the Copyright Act provides for fees to a prevailing party in order to encourage plaintiffs to assert colorable claims and thus deter infringement. The court recognized that fee awards to prevailing defendants diminish plaintiffs' incentives to pursue tenable claims; hence, it delineated a standard under which fees should be awarded to a prevailing defendant only if the plaintiff's action was frivolous, brought in bad faith, was unreasonable, or lacked "arguable merit". Holding the copyright claim there without arguable merit, the *Diamond* court affirmed an award of fees to the prevailing defendant and held that it was not necessary that the defendant show subjective bad faith on the plaintiff's part. *Diamond v. Am-Law Pub. Corp.*, 745 F.2d at 148.

Conversely, an award of fees was reversed in *Roth v. Pritikin*, 787 F.2d 54, 57-58 (2d Cir.), *cert. denied*, 464 U.S. 961 (1986), because the district court's finding on which the award was based, to the effect that the action was entirely without merit, conflicted with the same court's

---

[2] Asymmetrical is the term Professor Nimmer used to describe the circuits that Fogerty terms dual standard. See section D, *infra*.

decision on the merits a few years earlier, which had then been more respectful of the plaintiff's case. The Second Circuit in *Roth* suggested that the district court had succumbed to the "understandable temptation to engage in *post hoc* reasoning by concluding that, because a plaintiff did not ultimately prevail, [plaintiff's] action must have been unreasonable or without foundation. This kind of hindsight logic could discourage all but the most airtight claims, for seldom can a prospective plaintiff be sure of ultimate success." *Id.* at 58 (quoting *Christiansburg Garment Co. v. EEOC*, 434 U.S. 412, 421-22 (1978)).

Even in a dual standard or asymmetrical circuit, such as the Second, Seventh, Ninth or District of Columbia Circuits, a prevailing plaintiff is hardly assured of an award of fees under 17 U.S.C. § 505. While there is a degree of fault attributable to a defendant by virtue of the infringement, the courts have held it may be mitigated in any number of ways. For example, those circuits have denied fees to prevailing plaintiffs where, *inter alia*:

1. The defendant acted in good faith although in violation of copyright. *Dolori Fabrics, Inc. v. Limited, Inc.*, 662 F. Supp. 1347, 1357-58 (S.D.N.Y. 1987) (two infringers, one deliberate against whom fees were awarded, the other unintentional against whom no fees were awarded); *McCulloch v. Albert E. Price, Inc.*, 823 F.2d at 323.

2. The defendant's infringement was not wilful. *Roulo v. Russ Berrie & Co.*, 886 F.2d 931, 942-43 (7th Cir.), *cert. denied*, 493 U.S. 1075 (1989) (fees denied to prevailing plaintiff because infringement not flagrant or willful and plaintiff adequately compensated by award of profits). The court observed: "Awarding fees to the plaintiff under

these facts would serve only to sanction the defendant, which is inappropriate where the infringement was not willful." *Id.* at 943. *See also McCulloch v. Albert E. Price, Inc.*, 823 F.2d at 323.

3. Both parties are prevailing parties. *Video Views*, 925 F.2d at 1021-22 (plaintiff sued on 7 copyright claims and won only 2; fees refused to either side). In *Video Views*, as in our case, each party was a prevailing party on some copyright claims. Here, Fogerty was a prevailing defendant on a copyright claim after trial, but Fantasy was a prevailing counter-defendant on Fogerty's copyright claim on summary judgment, and that decision was affirmed by the Ninth Circuit. *Fantasy, Inc. v. Fogerty*, 984 F.2d 1524, 1526 (9th Cir. 1993); *Fantasy, Inc. v. Fogerty*, 664 F. Supp. 1345, 1353-55 (N.D. Cal. 1987).

4. Plaintiff conducted itself in a particularly arrogant and unreasonable fashion, though winning a nominal victory. *Warner Bros., Inc. v. Dae Rim Trading, Inc.*, 877 F.2d 1120, 1126, 1127 (2nd Cir. 1989).

5. The plaintiff's prosecution of the case was in bad faith. *McCulloch v. Albert E. Price, Inc.*, 823 F.2d at 323.

6. The legal issues were novel or close.[3] *Id.*

---

[3] Although Fogerty was not a prevailing plaintiff, this rule appears to bar him from attorney's fees as well. Fogerty has commented on the novelty of the circumstances presented by this case, especially his authorship of both the allegedly infringing and the purportedly infringed work; indeed, he has claimed the case is *sui generis*. In addition, the case presented a number of novel or complex issues, such as whether a copyright's "beneficial owner" is insulated from infringement liability, *Fantasy, Inc. v. Fogerty*, 654 F. Supp. 1129, 1132 (N.D. Cal. 1987); whether Fogerty had a right to copy grounded in the "fair use" doctrine, *Fantasy, Inc. v. Fogerty*, 664 F. Supp. at 1350-51; and whether Fogerty had a First Amendment right to copy. *Id.* at 1351. The novelty or complexity of the issues is surely a factor affecting an award of fees, regardless of which side wins.

Thus, it appears clear that in the circuits employing the rhetoric of the asymmetrical standard, fees are neither automatically awarded to prevailing plaintiffs nor denied to prevailing defendants. Considerations of fault govern the awards, whether to plaintiffs or to defendants; and Fogerty's characterization of the rules in the circuits that have adopted this approach is erroneous as the applied results demonstrate.

B. Fogerty Would Not Receive Attorney's Fees in an Even Handed Circuit.

Fogerty cites, *inter alia*, *Sherry Manufacturing Company v. Towel King of Florida* Inc., 822 F.2d 1031, 1033 (11th Cir. 1987); *Lieb v. Topstone Industries, Inc.* 788 F.2d 151, 154-56 (3rd Cir. 1986); *Cohen v. Virginia Electric and Power Company*, 617 F. Supp. 619, 620-23 (E.D. Va. 1985), *aff'd in part, dismissed in part*, 788 F.2d 247 (4th Cir. 1986), as containing the "better" rule of treating prevailing defendants and plaintiffs alike – each being equally entitled to attorney's fees when a prevailing party. That claim does not withstand close scrutiny.

The Eleventh Circuit, commencing with *Original Appalachian Artworks, Inc. v. Toy Loft, Inc.*, 684 F.2d 821, 832 (11th Cir. 1982), has been cited as a forum in which the even-handed approach holds sway. In that case an award of fees to a prevailing plaintiff was affirmed, and

the court announced that it was not necessary that the plaintiff show the defendant's infringement was willful in order to be entitled to fees (nor, by dictum, that a prevailing defendant would be required to show that a plaintiff's suit was frivolous). Yet, at the same time, the court of appeals observed, "[T]he defendant's good faith and the complexity of legal issues involved likely would justify a *denial* of fees to a successful plaintiff. . . . " *Id.* at 832 (emphasis in original).

In later cases, the Eleventh Circuit further demonstrated a fault-based emphasis. In *Donald Frederick Evans & Associates, Inc. v. Continental Homes, Inc.*, 785 F.2d 897, 916-17 (11th Cir. 1986), the court of appeals affirmed a denial of fees to a prevailing defendant, saying that the "result is all the more appropriate [because] the plaintiff asserted colorable copyright claims of the type which 'section 505 is intended in part to encourage.' " The quote was taken from the Second Circuit's opinion in *Diamond v. Am-Law Publishers*. Thus, in denying fees to a prevailing defendant, we have a circuit committed to the even-handed approach relying upon both policy and authority from a circuit committed to the dual standard approach.

Nor does *Evans* demonstrate an isolated result. The Eleventh Circuit followed its basic premise in several later cases. If Fogerty's theory of the even-handed rule were correct, one would not suppose that reasons, beyond the identification of prevailing party, would be required to justify a fee award. But in *Sherry Manufacturing*, 822 F.2d at 1034-35, and *Casella v. Morris*, 820 F.2d 362, 366-67 (11th Cir. 1987), district court decisions awarding

or denying fees to the prevailing party without explication were vacated and the cases were remanded for clarification of the bases for the district court's exercise of its discretion for possible further appellate review. Any such review presupposes that there are standards by which the district court's exercise of discretion may be judged.

The court in *Casella* stated that although willfulness was neither a prerequisite for an award of fees nor a factor compelling an award of fees, it is "an important factor entering into a court's discretionary decision making." *Id.* at 366. In *Sherry Manufacturing*, the court opined that fees could be awarded to a prevailing defendant simply because the defendant had won, but qualified that statement by articulating the lesson that "a finding by the district court that [plaintiff] brought a colorable claim in good faith would amply justify a denial of fees." 822 F.2d at 1035. The court reiterated what it had said in *Evans*, again citing the Second Circuit opinion in *Diamond v. Am-Law Publishers*, that denial of fees against a losing plaintiff who has sued in good faith "is all the more appropriate . . . where the plaintiff asserted colorable copyright claims of the type which 'section 505 is intended in part to encourage.' " *Id.* at 1034. *See also Cable/Home Communication Corp. v. Network Productions, Inc.*, 902 F.2d 829, 854 (11th Cir. 1990) ("while willfulness does not compel a fee award, it is an 'important factor' in the district court's 'discretionary decision making.' ")

Fogerty also cites *Lieb v. Topstone Industries*, 788 F.2d at 154-56, for the even-handed approach. While remanding the case for clarification of the reasons for denying fees to a prevailing defendant, the Third Circuit observed that "the . . . lawsuit . . . patently had no legal merit", but

rejected a rule which would award fees routinely to any prevailing party. *Id*. The court stated that, as in the asymmetrical or dual standard circuits, the factors which should govern the district court's exercise of its discretion included "frivolousness, motivation, objective unreasonableness (both in the factual and in the legal components of the case) and the need . . . to advance considerations of compensation and deterrence." *Id*. at 156. *Lieb* was presaged within its circuit by *Whelan Associates, Inc. v. Jaslow Dental Laboratory, Inc.*, 609 F. Supp. 1325, 1329-30 (E.D. Pa. 1985), in which fees were denied to a prevailing plaintiff, notwithstanding that the infringement was willful and deliberate, because the factual and legal issues in the case were novel and complex, and the defendants had relied upon competent legal advice and genuinely believed they were entitled to do what they did, notwithstanding that their actions were often reprehensible and tortious.

In the Fourth Circuit, Fogerty relies on *Cohen v. Virginia Electric and Power*, 617 F. Supp. at 620-23, 788 F.2d at 249-50, as the definitive articulation of the even-handed principle. Contrary to Fogerty's assertion that the Fourth Circuit adopted the even-handed approach in *Cohen* (Fogerty Petition at 13), the circuit court did not reach the merits of the fee issue. Cohen was held to have waived the right to appeal from the attorney's fee award, and the Fourth Circuit did not review the district court opinion on that issue. *Id*. at 249. However, the circuit court denied the defendant both an award of fees on appeal and a remand to the district court for consideration of such award. It said: "Although we have determined upon review that Cohen's appeal is without merit, we do not

view this as a case where Cohen's claims were so frivolous that he should be sanctioned for taking the appeal." *Id*. at 249-50. That language is hardly consistent with the view that defendants should be awarded fees for merely prevailing.

Furthermore, the district court in *Cohen*, so heavily relied on by Fogerty (Fogerty Petition at 16-17), took pains to point out that when plaintiff sued, he proposed to rely on discovered facts to reveal evidence of infringement, but had failed to pursue discovery diligently. 617 F. Supp. at 623. It was defendant that assiduously pursued discovery and turned up the evidence of its innocence. *Id*. Thus, regardless of the rhetorical dicta of the district court's opinion, fault appeared as a basis of the award of fees to defendant, a conclusion which is supported by the district court's comments that fees were imposed because the plaintiff had caused defendant considerable expense and trouble, lost and deserved to lose, without explicit reference either to objective or subjective bad faith. *Id*. at 623. This conclusion is reinforced when it is discovered upon reading the opinion of the Fourth Circuit that the district court had imposed sanctions against the plaintiff and his attorney under Rule 11. 788 F.2d at 248.

In sum, just as attorney's fees under section 505 have been denied to prevailing plaintiffs and granted to prevailing defendants in the so-called dual standard circuits, the circuits that adhere to the even-handed rule desired by Fogerty have denied fees to prevailing defendants and set standards very much resembling culpability to guide the trial courts in the exercise of their discretion under the statute. It is highly probable that Fogerty would have

been denied fees by any court applying *Original Appalachian Artworks, Donald Fredrick Evans, Towel King* or *Lieb*. And the Fourth Circuit's opinion in *Cohen* signals its denial of fees to Fogerty as well.

C. Fault, as a Predicate to a Fee Award, Is a Common Thread in Other Circuits.

The common thread of culpability is woven through the fabric of the decisions under section 505 in almost all courts that have considered the issue. For example, in *Hughes v. Novi American, Inc.* 724 F.2d 122, 125-26 (Fed. Cir. 1984), fees to the prevailing defendant were premised on the persistence of plaintiff and his attorney in prosecuting the infringement claims on three copyrights which plaintiff knew were non-existent or invalid. In addition, plaintiff gave false answers in discovery. The district court expressly found that plaintiff had proceeded in bad faith, and the court of appeals called the "consideration given by the trial judge to the issue of attorney fees under [17 U.S.C. § 505] exemplary. . . . " *Id.* at 124.

In *Hebert v. Wicklund* 744 F.2d 218, 223-24 (1st Cir. 1984), the appellate court affirmed the award of fees to a prevailing defendant because plaintiff failed to oppose it in the district court and failed to preserve the issue for appellate review. However, the First Circuit awarded the defendant no fees on appeal. It cited *Jartech, Inc. v. Clancy*, 666 F.2d 403, 497 (9th Cir.), *cert. denied*, 459 U.S. 826 (1982), in which the Ninth Circuit found merit in the plaintiff's claims and reversed an award of fees to a prevailing defendant who had won on a fair use defense.

The First Circuit said, "We can easily imagine circumstances under which plaintiffs . . . could lose on the merits but still make an *independent*, successful argument against a defendant's motion for attorneys' fees." 744 F.2d at 223 (emphasis in original).

The Fifth Circuit has sent mixed signals. Early, in *Donald v. Zack Meyer's T.V. Sales & Service*, 426 F.2d 1027, 1031 (5th Cir. 1970), *cert. denied*, 400 U.S. 992 (1971), it appeared, without articulation, to follow a culpability criterion. The action was filed on the basis of an invalid copyright. Two defendants were sued, one who copied, although probably did so without meaning to infringe, and one who was an "innocent by-stander". *Id.* at 1028. On judgment for the defendants, the copying defendant was required to bear its own fees, but the innocent by-stander was awarded fees against the plaintiff, because the plaintiff had, "[u]nnecessarily joined Zack Meyer as a party defendant." *Id.* However, in *Micromanipulator Co. v. Bough*, 779 F.2d 255, 259 (5th Cir. 1985), the court apparently dispensed with the concept of judicial discretion entirely, and awarded fees to a prevailing plaintiff, because, "[t]hey are the rule rather than the exception and should be awarded routinely." *Id.* Of course, having prevailed, the plaintiff did demonstrate some fault by defendant. Furthermore, the quoted statement logically means that there are exceptions. The court, however, failed to outline the standards for review of the exercise of the trial court's discretion. The only authority that the Fifth Circuit relied upon in *Micromanipulator* for its "routinely" ruling is not a case interpreting section 505 or, indeed, any statutory attorneys' fee provision, but a case involving a contract provision for attorneys' fees, *Engel v.*

Teleprompter Corp., 732 F.2d 1238, 1241 (5th Cir. 1984). The criteria for and purpose of an award of fees pursuant to a contract and one pursuant to a statute implementing an important matter of public policy are quite different.

The Sixth Circuit has not taken a position with respect to the purported "conflict". *MCA, Inc. v. Parks*, 796 F.2d 200, 204-05 (6th Cir. 1986). In *MCA*, since the fee award was in favor of a prevailing plaintiff, the court's discussion of principles applicable in cases where defendants prevail is rather unfocused. As Fogerty observes in his Petition (p. 15), the Eastern District of Tennessee in the Sixth Circuit appears to have embraced the Second and Ninth Circuits' approach. *Dean v. Burrows*, 732 F. Supp. 816, 826-27 (E.D. Tenn. 1989).

Fogerty claims that the Eighth Circuit has not taken a position on the alleged split between the circuits. (Fogerty Petition at 14-15.) We respectfully disagree. *Hartman v. Hallmark Cards, Inc.*, 833 F.2d 117, 121-23 (8th Cir. 1987), is almost a paradigm for the present case. The defendant was the prevailing party, and the district court denied fees. The court of appeals reviewed the leading cases from the Second, Third, Ninth, Eleventh, and District of Columbia Circuits to decide on a standard from which to review the district court's exercise of discretion. Its conclusion might well have been written for this case:

> The court found . . . Hartman had not acted in bad faith and that her complaint was colorable and not baseless. *Under any of the standards that have been applied to the § 505 fee determination, the finding that Hartman's claim was not baseless*

> *supports the district court's determination not to award fees.*

Id. at 123 (emphasis added).

Thus, rhetoric aside, the good faith of Fantasy, the close question of copying, and the novel questions of law and fact would support a denial of fees to petitioner under any standard except one which would eliminate discretion entirely and make fees an automatic incident of winning. But, as both the even handed and the dual standard courts have frequently made clear, the statute *requires* that the district courts exercise discretion and explain the reasons for their decision. Therefore, even if the claimed conflict existed among the circuits regarding the interpretation of section 505, this case would be an inappropriate vehicle for the examination of any such conflict.

D. The Commentators Agree that the Circuits Are Virtually Identical in their Application of Section 505.

The leading commentators in the copyright field, Melville B. Nimmer and his successor, point out that while *dicta* in some of the opinions suggest that there is a disparity among the several circuits over a proper interpretation of 17 U.S.C. § 505, their apparent disagreements are, by and large, easily reconciled. 3 M. Nimmer and D. Nimmer, *Nimmer on Copyright* § 14.10[D][2] (1992) (hereafter "Nimmer"). As Nimmer puts it, blameworthiness is the central unifying principle by which the approaches of the various courts can be harmonized. Most courts, he says, require a showing of some fault on the part of the

losing party, beyond merely being defeated, and that generally the asymmetrical courts find such culpability exists when the plaintiff wins, in that the defendant has been shown to be guilty of an infringement. *Id.* at 14-126 - 14-127. Thus, in the so-called dual standard circuits, an award of fees to a victorious plaintiff is predicated on a finding of wrongful conduct, *i.e.*, some fault by the defendant. But even there, such fees are not automatic and may be denied where it appears that the defendant was without real blame. *Id.* at 14-127; *McCulloch v. Albert E. Price, Inc.*, 823 F.2d at 323.

The victory of a defendant, on the other hand, may indicate nothing more than that the plaintiff failed to carry its burden of proof, as the commencement and maintenance of an unsuccessful lawsuit carries with it no implication of culpability. A prevailing defendant who has proved no more than that the plaintiff has lost has failed to show anything equivalent to copyright infringement. To award fees to such a winning defendant, absent any proof of plaintiff's fault, would give a victorious defendant a more favored position than a prevailing plaintiff who has demonstrated that the defendant was a tortfeasor. That is not even-handedness. Criteria such as frivolousness, bad faith, absence of merit, or unreasonableness, as a prerequisite for awarding fees to a defendant, level the playing field as between victorious plaintiffs and prevailing defendants. Notwithstanding differences in rhetoric, this kind of analysis pervades the seemingly variant approaches of both the dual standard and the even handed courts. *Nimmer* at 14-119 - 14-127.

Nimmer is not the only commentator to note the thread of culpability as a touchstone for the application of

section 505. The editors of American Law Reports have observed, "[P]erhaps the most important single factor in determining whether attorneys' fees should be awarded is blameworthiness. Whether or not blameworthiness is held to be a strict requirement for an award of attorneys' fees, it is apparent that an attorney's fees generally will only be awarded when there is some degree of blameworthiness on the part of the losing party, such as deliberate and willful infringement, or other evidence of bad faith and misconduct." Annotation, *Award of Attorney's Fees Under §§ 101 et seq. of Copyright Act, 17 U.S.C. § 505 – Modern Cases*, 85 A.L.R. Fed. 434, 446 (1987).

E. The Intent of the Copyright Laws Is to Encourage Lawsuits on Colorable Claims for Infringement and Thereby Protect Copyrights.

The dual standard advances the policy of the Copyright Act by encouraging suit on colorable claims of infringement, and thereby protecting copyrights and discouraging infringement. Logic dictates that awarding fees to a successful plaintiff enhances the purpose of the Copyright Act by encouraging copyright holders to assert their rights. *Video Views*, 925 F.2d at 1022; *Bibbero Systems, Inc. v. Colwell Systems, Inc.*, 983 F.2d 1104, 1109 (9th Cir. 1990); *McCulloch v. Albert E. Price, Inc.*, 823 F.2d at 323; *Roth v. Pritikin*, 787 F.2d at 57; *Diamond v. Am-Law Pub. Corp.*, 745 F.2d at 148; *Breffort v. I Had A Ball Company*, 271 F. Supp. at 627.

An award of attorney's fees to a prevailing plaintiff allows copyright holders of even modest means to sue for

copyright violations which may not lead to a large damage award. The knowledge that attorney's fee awards are reasonably likely in the event of infringement also acts to deter violations and thus furthers the congressional intent.

Logically, however, awarding fees to a successful defendant does nothing to advance the policy of the copyright law, for no copyright is protected. Indeed, to award fees to a prevailing defendant without fault on the part of the copyright holder chills the incentive to enforce copyrights. As the Second Circuit said in *Roth v. Pritikin*:

> Because the Copyright Act is intended to encourage suits to redress copyright infringement, fees are generally awarded to a prevailing plaintiff. The logical converse of this legislative purpose, however, requires that attorney's fees to prevailing defendants be awarded circumspectly to avoid chilling a copyright holder's incentive to sue on "colorable" claims. This is particularly true since an award of attorney's fees is deemed to serve the additional purpose of penalizing the losing party.

787 F.2d at 57. Where the copyright law is used in a frivolous way or in bad faith, it is of course appropriate to allow a district court to exercise its discretion under section 505 and award fees in addition to costs. *Grosset & Dunlap, Inc. v. Gulf & Western Corp.*, 534 F. Supp 606, 609-11 (S.D.N.Y. 1982).

This dual standard in copyright cases is analogous to that articulated by the Supreme Court in civil rights cases, directing district courts not to engage in *post hoc* reasoning to conclude that, because a plaintiff did not

prevail, his suit must have been unreasonable and without foundation, for only the rare plaintiff could be assured of "ultimate success." *Christiansburg Garment Co. v. EEOC*, 434 U.S. 412, 421-22 (1978). *See also Miller v. Los Angeles County Bd. of Educ.*, 827 F.2d 617, 619 (9th Cir. 1987) (trial courts must "avoid undercutting Congress' policy of promoting vigorous prosecution of civil rights violations under Title VII and § 1983").

F. The Cases under the 1909 Act and the Congressional Intent as to the Meaning of the 1976 Act Support the Ninth Circuit Standard.

Before the 1976 Copyright Act was enacted, the statute governing attorney's fees to the prevailing party in a copyright action read as follows: "In all actions, suits, or proceedings under this title . . . full costs shall be allowed, and the court may award to the prevailing party a reasonable attorney's fee as part of the costs." 17 U.S.C. § 40 (later § 116). The 1976 Act adds only the word "also" to the previous statute insofar as it relates to attorney's fees. A plenitude of cases under the attorney fee statute of the 1909 Copyright Act, coupled with a report to Congress by the Register of Copyrights, establish that Congress knew it was adopting the asymmetrical approach when it declined to make any substantive change in the law and enacted the attorney's fee provisions of the 1976 Act. Congress was well aware, in fact, that courts already required an element of fault before attorney's fees would be awarded to a prevailing defendant, when it reenacted the attorney's fee provisions without significant change in section 505.

Neither the final House or Senate Report relating to the 1976 Copyright Act sheds much light on the construction of section 505. *See H.R. Rep. No. 1476, 94th Cong., 2d. Sess. 163* (1976); *S. Rep. No. 473, 94th Cong., 1st. Sess. 145* (1975). As mentioned in the House Report, however, the revision of the Copyright Act, which culminated in 1976, took place over a 21-year period. During that time the Copyright Office submitted to Congress 35 published monographs on most of the major substantive issues in copyright revision, and in 1961 submitted the Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law, which was printed for use by the House Committee on the Judiciary. *H.R. Rep. No. 1476*, at 47. In the 1976 Act, Congress adopted the Register's recommendation from the 1961 Report with respect to costs: an award of costs, formerly mandatory, was made discretionary under section 505. Congress was also aware of the then existing law, as summarized by the Register, that attorney's fees under section 116 of the 1909 Act were awarded to prevailing defendants pursuant to a blameworthiness standard. The report of the Register says of the proposed attorney's fees section of the act:

> The discretionary power of the courts [under section 116] to require the losing party to pay "a reasonable attorney's fee" is intended to discourage unfounded suits and frivolous defenses. The courts have generally denied awards of attorney's fees where the losing party had solid grounds for litigating his claim or defense. This discretionary power of the courts is generally regarded as salutary, and we concur in this view.

> The language of section 116 indicates that the allowance of "full costs" is mandatory, and some courts have so held, but others have treated the allowance of costs as discretionary. Section 116 should be clarified in this respect. We believe that the allowance of costs, like the award of attorney's fees, should be left to the discretion of the court.

Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law at 109.

In his Second Supplemental Report to Congress on the General Revision of the U.S. Copyright Law (December 1975), the Register comments at page 329 that "Except for the provision on damages, profits, and criminal infringement, the [proposed] bill would make few changes in the remedies for copyright infringement available under the present law."

Thus, in the course of its lengthy process of amending the Copyright Act, Congress was made aware that the courts had long interpreted the existing attorney's fee statute, with language strikingly similar to what it enacted in the 1976 Act, to provide for an award of fees to prevailing defendants only where the plaintiff did not have solid grounds for its lawsuit. And the Register's description of then existing case law, and the case law that continued through 1976, was, as we shall show, a quite accurate depiction of the dual standard approach to the issue of attorney's fees.

One of the leading pre-1976 Act cases is *Official Aviation Guide Co. v. American Aviation Associates*, 162 F.2d 541, 543 (7th Cir. 1947), in which fees were denied to a prevailing defendant/cross-complainant. The court of appeals

affirmed, observing that the denial was well within the discretion of the district court, because, "The instant case was hard fought and prosecuted in good faith, and it presented a complex problem in law." In *Eisenschiml v. Fawcett Publications, Inc.*, 246 F.2d 598, 604 (7th Cir.), *cert. denied*, 355 U.S. 907 (1957), fees were awarded by the district court to defendants whose uses of plaintiff's copyrighted works were held to be fair and insubstantial. The court of appeals reversed because the case was not entirely without merit and involved a close question. It said that "plaintiff should not be assessed attorney fees for trying to protect the copyright on his books." *See also Stein v. Expert Lamp Co.*, 107 F. Supp. 60, 61 (D. Ill. 1952) (fact that plaintiff "had no right which could be protected under the copyright laws does not establish that the complaint was filed in bad faith or for the purposes of harassment").[4]

[4] Pre-1976 Act cases also include *Rose v. Bourne, Inc.*, 176 F. Supp. 605, 612 (S.D.N.Y 1959), *aff'd*, 279 F.2d 79, 81 (2nd Cir. 1960) (fees awarded against a losing plaintiff because his refusal to accept a Supreme Court decision as dispositive deemed frivolous); *Mailer v. RKO Teleradio Pictures, Inc.*, 332 F.2d 747, 749 (2nd Cir. 1964) (award of fees to prevailing defendant affirmed because plaintiff's "claim was . . . 'unreasonable' [in that the action] represented an attempt by Mailer to employ a highly technical argument as a means of extracting a grossly unfair penalty assessment from the defendants"); *Burnett v. Lambino*, 206 F. Supp. 517, 518-19 (S.D.N.Y. 1962) (fees awarded to defendant because plaintiff's case so demonstrably lacking in merit that bringing it was "clearly unreasonable", "patently erroneous", "ridiculous" and involved "palpable trivialities"); In *Lewys v. O'Neill*, 49 F.2d 603, 604, 611 (S.D.N.Y 1931) (the court awarded defendant fees, finding plaintiff's claim "wholly preposterous" and absurd); *Rose v. Connelly*, 38 F. Supp. 54, 55

G. Fogerty Is in No Worse Situation Than Any Other Artist.

Fogerty complains that because he was accused of self-copying he was unlikely to prevail on summary judgment, and thus could not qualify for an award of attorney's fees under section 505. (Fogerty Petition at 19-20.) He asserts that he must create new works completely dissimilar from the style of his earlier work in order to avoid legal attack from Fantasy. This, he contends "is an undesirable perversion of the copyright law and is contrary to the purpose of the Copyright Act. . . . " (*Id.*)

Self-copying only affects the access aspect of infringement; it is irrelevant to the issue of substantial similarity. For an infringement action to prevail the plaintiff must prove substantial similarity, an issue that is often decided in the Ninth Circuit (and other circuits) on summary judgment. *Shaw v. Lindheim*, 919 F.2d 1353, 1355 (9th Cir. 1990); *Worth v. Selchow & Righter Co.*, 827 F.2d 569, 571 (9th Cir. 1987), *cert. denied*, 485 U.S. 977 (1988). Thus, had this case been one where Fogerty's composition was truly dissimilar to the copyright owned by Fantasy, it would have been an appropriate case for summary judgment. Fogerty, like any composer, must take reasonable care that his "new" compositions are not copies of

(S.D.N.Y. 1941) (fees awarded to defendant because the "claim of plagiarism herein seems to be quite fantastic"); and *Cain v. Universal Pictures Co.* 47 F. Supp. 1013, 1019 (S.D. Cal. 1942) (fees "should not be awarded [prevailing defendant] unless equity considerations exist which call for the penalization of the losing party"). A considerable number of similar cases are merely cumulative and not cited.

music owned by others. All other artists are subject to the same rule; surely Fogerty has no basis to claim a unique and favored status of protection from the copyright laws.

Fantasy never claimed infringement because of similarity of style. And Fogerty, in his work since leaving Fantasy's predecessors-in-interest, has created many works that are stylistically similar to his earlier work, yet he was sued for copyright infringement for only one such composition. Either Fogerty is capable of writing songs with different melodies, as Fantasy and Fogerty both claimed, or the recurrent "animosity" refrain which Fogerty claims underlies this "threat" of repeated suits is merely Fogerty's hobgoblin.

Many infringement suits involve an "artist" who created the work sought to be protected as well as an "artist" alleged to be the copier of the protected work. The courts should not ignore the congressional intent of encouraging suits to protect copyrights merely because the alleged infringer is also an artist. A copier, whether artist or not, does not represent the interest Congress has selected to shield by the legislation. Authors are not safeguarded when they are afraid to protect the works they have created because they might face huge awards of attorney's fees if they lose.

Fogerty complains of the potential for forum shopping because the attorney's fee standard differs from circuit to circuit. (Fogerty Petition at 16.) But cases under both the 1909 and 1976 Acts indicate, on the contrary, that copyright cases are generally filed in those areas of the United States that have a concentration of industries related to intellectual property: New York, Illinois and

California. And the common requirement of blameworthiness on the part of the losing party before attorney's fees are awarded would, in any event, remove any motive to forum shop. Furthermore, forum shopping is not easily hidden, and a losing plaintiff risks a finding of bad faith for that conduct. We note as well, that the instant case was brought in Fogerty's home community, and can hardly be cited as an example of the danger of forum shopping.

CONCLUSION

Respondent respectfully submits that there is no serious conflict in the circuits on the interpretation of 17 U.S.C. § 505. All the circuits that have considered the issue have indicated that fault is an important touchstone for an award of attorney's fees to the prevailing party in a copyright infringement action. No circuit, despite Fogerty's assertion, ratifies an award of fees to a prevailing party without an exercise of discretion, based on sound principles which are explicitly linked to fault. The punishment inflicted on a defendant by an award of attorney's fees is essentially for the wrong of infringement. To balance the scale, a plaintiff is punished for the "wrong" of bringing a frivolous suit or doing so in bad faith. These results comport with the spirit of the Copyright Act and the intent of Congress in its passage. It is historically true to the cases under the 1909 Act, which recite essentially

the same language without substantive change. Therefore, no reason exists to grant the writ of certiorari in this case.

Respectfully Submitted,

MALCOLM BURNSTEIN
Counsel of Record for Respondent
BURNSTEIN & TRIMBUR
685 Market Street, Suite 690
San Francisco, CA 94105
(415) 243-0191